

**KELLEY DRYE & WARREN LLP EX PARTE OR LATE FILED**

A LIMITED LIABILITY PARTNERSHIP INCLUDING PROFESSIONAL ASSOCIATIONS

1200 19TH STREET, N.W.

SUITE 500

WASHINGTON, D. C. 20036

(202) 955-9600

NEW YORK, N.Y.  
LOS ANGELES, CA.  
MIAMI, FL.  
CHICAGO, IL.  
STAMFORD, CT.  
PARSIPPANY, N.J.

BRUSSELS, BELGIUM  
HONG KONG

AFFILIATED OFFICES  
NEW DELHI, INDIA  
TOKYO, JAPAN

FACSIMILE  
(202) 955-9792

December 9, 1998

JONATHAN E. CANIS  
DIRECT LINE (202) 955-9664  
E-MAIL: jcanis@kelleydrye.com

**RECEIVED**

**DEC - 9 1998**

**FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY**

Magalie R. Salas, Secretary  
Federal Communications Commission  
1919 M Street, N.W., Room 222  
Washington, D.C. 20554

**Re: Notification of Ex Parte Presentation by the  
Association for Local Telecommunications Services  
Deployment of Wireline Services Offering Advanced Telecommunications  
Capabilities: CC Docket No. 98-147**

Dear Ms. Salas:

Pursuant to §§ 1.1206(b)(1)&(2) of the Commission's Rules, the Association for Local Telecommunication Services ("ALTS") provides notice of an oral *ex parte* presentation related to the above-captioned docketed proceedings on December 8, 1998. The presentations were made by Ms. Cronan O'Connell of ALTS, Julia Strow of Intermedia Communications Inc. and Mr. Jonathan Canis of Kelley, Drye & Warren. The presentations were made to the following members of the Federal Communications Commission ("FCC"):

Stagg Newman, FCC Office of Engineering and Technology  
Brent Olson, FCC Policy and Program Planning Division  
Liz Nightendale, FCC Policy and Program Planning Division  
Daniel Shiman, FCC Policy and Program Planning Division  
Jonathan Askin, FCC Policy and Program Planning Division  
Jason Oxman, FCC Policy and Program Planning Division

During the presentation, the parties discussed a variety of issues related to the interconnection of CLEC and ILEC networks. Specifically, the parties discussed including Commission-established standards for collocation and unbundled network elements, and

DC01/CANIJ/68231.1

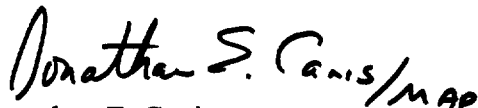
No. of Copies rec'd 0+1  
List ABCDE

KELLEY DRYE & WARREN LLP

discussed ALTS' proposal for a "Bitstream" unbundled network element at some length. The parties discussed rules governing separate advanced service affiliates, State "best practices" in establishing interconnection rules, and anti-backsliding provisions. As part of the presentation, ALTS circulated a handout, a copy of which is appended to this filing.

Pursuant to 1.1206(b)(1)&(2), ALTS submits an original and one (1) copy of this oral *ex parte* notification for inclusion in the public record of the above-referenced proceeding. Please direct any questions regarding this matter to the undersigned.

Respectfully submitted,

  
Jonathan E. Canis

cc: Stagg Newman, FCC Office of Engineering and Technology  
Brent Olson, FCC Policy and Program Planning Division  
Liz Nightendale, FCC Policy and Program Planning Division  
Daniel Shiman, FCC Policy and Program Planning Division  
Jonathan Askin, FCC Policy and Program Planning Division  
Jason Oxman, FCC Policy and Program Planning Division  
International Transcription Service

•  
•  
•  
•  
•  
•  
•  
•  
•  
•  
•  
•

ALTS

*EX PARTE* PRESENTATION

CC DOCKET NO. 98-147



Cronan O'Connell, President, ALTS

202.969.2596, [coconnell@alts.org](mailto:coconnell@alts.org)

Jon Canis, Kelley Drye & Warren

202.955.9664; [jcanis@kelleydrye.com](mailto:jcanis@kelleydrye.com)

• • • • •

•  
•  
•

## JURISDICTIONAL ISSUES

- ALTS BELIEVES THE COMMISSION LACKS AUTHORITY TO ESTABLISH UNREGULATED ILEC AFFILIATES
- NEVERTHELESS, SHOULD THE COMMISSION PROCEED, IT SHOULD ENSURE THAT ITS SEPARATE AFFILIATE RULES WILL MINIMIZE ANTICOMPETITIVE BEHAVIOR

•  
•  
•

# 1. SEPARATE AFFILIATE RULES MUST BE STRONGER

- STRUCTURAL SEPARATION
- NO AFFILIATE CONTROL OF:
  - LOOPS & SUBLOOP ELEMENTS
  - CENTRAL OFFICE FUNCTIONS
    - SWITCHING
    - CONCENTRATION, ROUTING, HUBBING
  - ANY NETWORK FUNCTIONS NOW OFFERED AS UNEs
    - TRANSPORT, LOOPS, ETC.

•  
•  
•

## SEPARATE AFFILIATE RULES (cont'd)

- NO TRANSFERS OF FACILITIES
  - NO DE MINIMUS EXEMPTION
- TRANSFERS OF PERSONNEL MUST BE AT ARM'S LENGTH
- IF PHYSICAL COLO. NOT AVAILABLE, NONDISCRIMINATORY VIRTUAL FOR BOTH AFFILIATE & CLEC
- NO RESALE OF ILEC SERVICES BY AFFILIATE

• • • • •

•  
•  
•

## SEPARATE AFFILIATE RULES (cont'd)

- EQUAL ACCESS TO HOUSE RISER
- NONDISCRIMINATORY PROVISION  
OF LOOP
  - NECESSARY TO ADDRESS PRICE  
SQUEEZE ISSUE

• • • • • • • •

•  
•  
•

## SEPARATE AFFILIATE RULES (cont'd)

- IF ILEC DOES NOT CHOOSE TO ESTABLISH AFFILIATE, FULL 251(c) OBLIGATIONS MUST APPLY
  - INCLUDING REQUIREMENT TO RESELL ADVANCED SERVICES AT WHOLESALE DISCOUNT
  - IF STATE PUCs ELIMINATE THIS REQUIREMENT, FCC MUST IMPOSE
    - SEE RECENT CALIFORNIA PUC DECISION

• • • • •



•  
•  
•

## 2. LOOP FUNCTIONALITY TO POINT OF SWITCHING

- FCC DEFINES LOOP AS TRANSPORT FROM CUSTOMER PREM TO MDF
- FOR DATA SERVICES, MDF SERVES DATA SWITCH OUTSIDE END OFFICE
  - ILECs NOW PROVIDE DSL-BASED & OTHER DATA SERVICES VIA CENTRALIZED DATA SWITCHES SERVING MULTIPLE EXCHANGES
  - ILECs WILL USE CENTRALIZED SWITCHES TO SERVE MULTIPLE LATAs . . .

- 
- 
- 

## LOOP FUNCTIONALITY TO POINT OF SWITCHING

- IN 706 FILINGS, ILECs SEEK  
INTERLATA WAIVER SO THEY CAN  
DELIVER LOOP TRAFFIC TO  
CENTRALIZED DATA SWITCHES
  - AMERITECH/NORTHPOINT PROPOSAL
  - US WEST ASKS TO REDEFINE LATA
  - BELL ATLANTIC W. VA. PETITION
- CLECs SEEK SIMILAR ABILITY

•  
•  
•

# LOOP FUNCTIONALITY TO POINT OF SWITCHING (cont'd)

- IN ORDER TO REALIZE SAME EFFICIENCIES OF CENTRALIZED DATA SWITCHES, CLECs NEED:
  - UNBUNDLED TRANSPORT FROM CUSTOMER PREM TO CLEC DATA SWITCH
    - INCLUDING ACCESS TO HOUSE RISER
  - TO PROVIDE NEEDED CAPACITY, MAY REQUIRE CO AND MIDLOOP ELECTRONICS

•  
•  
•

### 3. CLECs REQUIRE ACCESS TO INTEGRAL ELECTRONICS

- ILECs NOW PROVIDE T1s THAT  
INCLUDE MIDLOOP, CO &  
TRANSPORT ELECTRONICS
  - T1 REPEATERS
  - HDSL TERMINALS
  - DSLAMs (CO & REMOTE)
- ELECTRONICS ARE TRANSPARENT  
TO CARRIER/CUSTOMER

• • • • • • • • •

•  
•  
•

## 4. CLECs REQUIRE ACCESS TO DSL-CAPABLE LOOPS

- CURRENTLY, NO EFFICIENT MEANS OF IDENTIFYING WHETHER A GIVEN LOOP IS DSL-CAPABLE
  - NO OSS ACCESS TO ILEC DATABASES
  - MANUAL SURVEY TOO COSTLY & DILATORY
  - ILECs NOW PROVIDE ADSL CUSTOMERS THIS INFORMATION AT NO CHARGE

• • • • • • • • •

•  
•  
•

## 5. COLLOCATION —ALTERNATIVES

- BEST PRACTICES OF TX, NY, GA
  - COMMON SPACE
  - CAGELESS
  - CAGE SHARING
  - UNRESTRICTED CROSS-CONNECTION
  - NO RESTRICTION ON EQUIPMENT
  - REASONABLE SPACE PREP CHARGES
  - ELIMINATE VIRTUAL RESTRICTIONS

• • • • • • • •

•  
•  
•

## 6. ANTI-BACKSLIDING PROVISIONS

- TEXAS REQUIREMENTS
  - TXPUC ESTABLISHED DETAILED PERFORMANCE STANDARDS FOR INTERCONNECTION, UNEs, RESALE, OSS ACCESS
  - STAFF PROPOSED TOUGH ENFORCEMENT MECHANISMS
    - LIQUIDATED DAMAGES TO CLECs
    - FINES TO TXPUC FOR REPEAT OFFENCES
  - TXPUC EXPECTED TO ADOPT IN DEC.

• • • • • • • • • •